NEW FLORENCE TELEPHONE COMPANY LIFELINE ASSISTANCE PROGRAM

The Lifeline Assistance Program is a plan that assists qualified lowiscome applicants with reductions in their monthly local exchange service rate. The assistance applies to a single telephane line at the applicant's principal phase of residence. Qualified applicants monthly local exchange service rate may be reduced by up to \$12.75.

Eligibility will be based on participation in a qualifying program. For more information about Lifeline Assistance you may contact as at 573-835-2997, visit the office located at 101 N Main St., New Florence, MO or visit our website http://www.newflorence.com.

You must prove eligibility by soluniting a form signed under penalty of perjury that you receive benefits from or a copy of any dated document which verifies your participation in a qualifying program.

Benefits take effect when proof of eligibility is received and will be reviewed periodically. Benefits will be discontinued when you no longer participate in the qualifying program or do not provide proof of eligibility when requested. Customers no longer eligible must notify their service provider.

Being a Lifeline customer does not protect you from being disconnected if you fail to pay your triephone bill.

Lifeline discounts cannot be applied to an outstanding balance owed to your phone company.

Lifeline can only be applied to one telephone for per household.

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS (With unconsolidated amounts for 2013)

DECEMBER 31, 2014

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED FINANCIAL REPORT DECEMBER 31, 2014

(With unconsolidated amounts for 2013)

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors New Florence Telephone Company New Florence, Missouri

We have audited the accompanying consolidated financial statements of New Florence Telephone Company (a Missouri corporation) and Subsidiaries, which comprise the consolidated balance sheet as of December 31, 2014, and the related consolidated statements of income, stockhokker's equity and cash flows for the year then ended, and the related notes to the financial statements. We have also audited the accompanying financial statements of New Florence Telephone Company, which comprise the balance sheet as of December 31, 2013, and the related statements of income, retained earnings, stockholder's equity, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United State of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An

P.O. DRAWER 577 • 205 NORTH MAIN BRIGHAM CITY, UTAH 84902 • (495) 723-8563 • FAX (495) 723-8565 audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our mudit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New Florence Telephone Company and Susidiaries at December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. Also, in our opinion, the 2013 financial statements present fairly, in all material respects, the financial position of New Florence Telephone Company as of December 31, 2013, and the results of its operations, stockholder's equity, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

GAO Reporting

In accordance with Government Auditing Standards, we have also issued a report dated April 4, 2015, on our consideration of New Florence Telephone Company and Subsidiaries' internal control over financial reporting, and our tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audits.

Wiggers & Co., PC Brigham City, Utah

April 4, 2015

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEET DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)

2014 2013 ASSETS Corrent assets Cash and cash equivalents Due from subscribers and agents, less allowance for doubtful accounts of \$13,150 and \$350 Accounts receivable-affiliates Materials and supplies Prepaid expenses Total current assets Other assets Deferred income taxes Unamortized loan costs Goodwill Total other assets Property, plant, and equipment Operating plant: Plant under construction Plant in service Accumulated depreciation Total operating plant Non-operating plant: Telephone plant acquisition adjustment Accumulated amortization Non-regulated plant in service Accumulated depreciation Total non-operating plant

The accompanying notes are an integral part of these financial statements.

Total property, plant, and equipment

Total assets

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED BALANCE SHEET (Continued) DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)

2014

2013

LIABILITIES AND STOCKHOLDERS' BOUTTY

Current habilities

Accounts payable

Accounts payable-affiliates

Customer deposits

Accrued expenses

Income tax payable

Current portion of long-term debt

Total current liabilities

Long-term liabilities

Deferred income taxes

Long-term debt, net

Total long-term liabilities

Total babilities

Stockholders' equity

Common stock, no par value, 600 shares authorized, 100 issued and outstanding

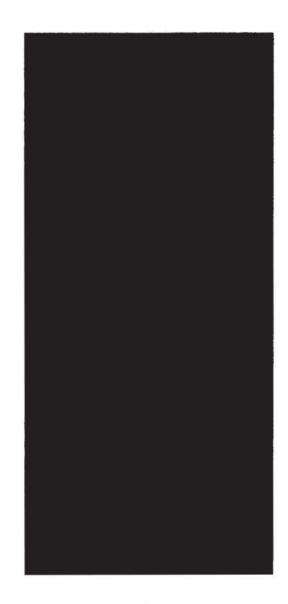
Additional paid in capital

Retained earnings

Treasury stock, 177 shares, recorded at cost

Total stockholders' equity

Total liabilities and stockholders' equity



NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENT OF INCOME FOR THE YEARS ENDED DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)

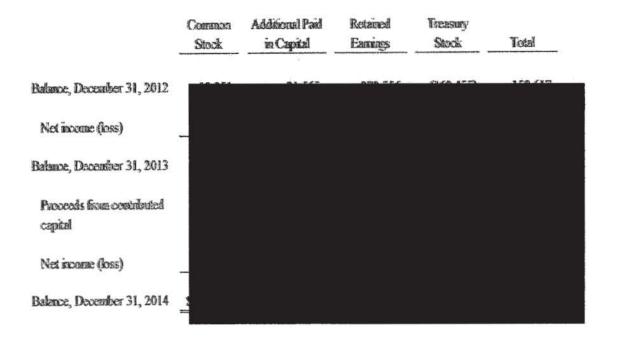
2014 2013 Operating revenue Local network Network access Billing and collection Miscellaneous Total operating revenue Operating expenses Plant specific Plant nonspecific Customer operations Corporate operations Depreciation Total operating expenses Operating taxes Income taxes (benefit) Other operating taxes Total operating expenses and taxes Operating income (loss) Non-operating revenue (expense) Other income (loss) Non-regulated income (expense) Income taxes (expense) benefit Non-operating income (loss) Net income (loss) before fixed charges Fixed charges

The accompanying notes are an integral part of these financial statements.

Net income (loss)

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY FOR THE YEAR ENDED DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)



NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATD STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)

Cush flows from operating activities

Net income (loss)

Adjustments to reconcile net income to net cash provided (used) by operating activities

Depreciation and amortization on non-regulated

property

Amortization of loan costs

Depreciation and amortization

Deferred taxes

Bad debt reserve

Changes in assets and habities

Due from customers and agents

Accounts receivable-afficates

Materials and supplies

Prepaid expenses

Accounts payable

Accounts payable-affiliates

Customer deposits

Accrued expenses

Income tax payable

Net cash provided (used) by operating activities

Cash flows from investing activities

Purchase of goodwill

Purchase of capital items

Purchase of non-regulated assets

Purchase of investments in affiliates

Net cash provided (used) by investing activities



NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATED STATEMENT OF CASH FLOWS (Continued) FOR THE YEAR ENDED DECEMBER 31, 2014

(With unconsolidated financial statements for 2013)

Cash flows from financing activities Payments of long-term debt Payments on short-term shareholder loans Proceeds from issuance of long-term debt Payment of loan costs Proceeds from contributed capital Net cash provided (used) by financing

activities

Net increase (decrease) in cash and cash equivalents

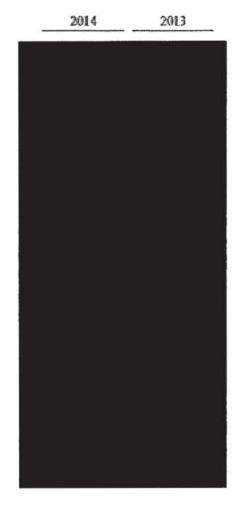
Cash and cash equivalents, beginning Cash from purchase of affiliated companies

Cash and cash equivalents, ending

Cash paid during the year for:

Interest

Income taxes



NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (With unconsolidated financial statements for 2013)



NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2014 (With unconsolidated financial statements for 2013)





















INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

Board of Directors New Florence Telephone Company and Subsidiaries New Florence, Missouri

Our report on our audit of the consolidated financial statements of New Florence Telephone Company and Subsidiaries, for the year ended December 31, 2014, appears on pages 1-2. That audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplemental information consisting of the consolidating balance sheet at December 31, 2014, and consolidating statements of income and retained earnings, and cash flows of New Florence Telephone Company and Subsidiaries for the year then ended is presented for purposes of additional analysis of the 2014 consolidated financial statements, rather than to present financial position, results of operations, and cash flows of the individual companies. Such information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements, and in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

Suggers 4 Co., PC Brigham City, Utah April 4, 2015

P.O. DRAWER 577 • 205 NORTH MAIN BRIGHAM CITY, UTAH 84302 • (436) 722-8563 • FAX (436) 722-8565

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET DECEMBER 31, 2014

	New Florosce	New Landon	Orthand Farm	The Stoutland		
	Telephone	Teleplene	Telaphone	Tolephone		
	Company	Социалу	Company	Company	Hamiles	Total
YZZEZZ	4,				-	
Coursel zeeds						

Tetal central assets

Cash and cash equivalents
The firm customers and agent
less allowance for decidated
accounts of \$13,150
Accounts accounts for \$1,000
Accounts accounts for \$1,000
Accounts accounts for applies
Proposal expenses

Other are do and investments Investment in afficies Defensed income two Unanomical has conte Goodsvill

Total other assets and investments

Peoperty, pitent, and equipment
Operating pitent
Plant under construction
Plant in service
Total operating plant
Accumulated depreciation
Total net operating plant
Non-operating plant
Telephone plant acquisition
adjustment
Accumulated depreciation
Non-regulated plant in service
Accumulated depreciation
Total net non-operating plant

Total property, plant, and equipment, set

Total assets

REDACTED - FOR PUBLIC INSPECTION

NEW FLORENCE TELEPHONE COMPANY AND SUBSIDIARIES CONSOLIDATING BALANCE SHEET (communed) DECEMBER 31, 2014

	New Florence Temphone Company	New Leaden Telephone Company	Orchand Flama Edophore Company	The Stocked Telephone Company	Bracins	Yotzł
LEMENTES AND		and the same				
STOCKED LEES' EQUITY						
Cuzzat balances						
Accesses payable						
Access psychologicals						
Chestomer disposits						
Accrusi expenses						
lenome town pryable						
Consent person of Nong-torm						
delta						
Total onness liebbies						
Other Eublidies						
Defend insure texes						
Long-tam debit, set						
Total other liabilities						
Total Inhibites						
Stockholders' equity						
Contrast stack						
Additional paid in capital						
Treasury stock						
Retained earnings						
Total stockholders' equi						
Tota! kabilities and						
stockholders' equity						
Susanius char						